

Exhibit 62

UNITED STATES DISTRICT COURT

FOR THE WESTERN DISTRICT OF WISCONSIN

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AUTHENTICOM, INC.

Plaintiff,

-vs-

Case No. 17-CV-318-JDP

CDK GLOBAL, INC., LLC
and THE REYNOLDS and
REYNOLDS COMPANY,

Madison, Wisconsin
June 26, 2017
1:50 p.m.

Defendants.

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STENOGRAPHIC TRANSCRIPT-FIRST DAY OF EVIDENTIARY HEARING
AFTERNOON SESSION
HELD BEFORE THE HONORABLE JAMES D. PETERSON,

APPEARANCES:

For the Plaintiff:

Godfrey & Kahn S.C.
BY: JENNIFER GREGOR
One East Main Street, Ste. 500
Madison, Wisconsin 53703

Kellogg, Hansen, Todd, Figel & Frederick, PLLC
BY: MICHAEL NEMELKA
AARON PANNER
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DEREK HO
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JOHANNA ZHANG
1615 M Street, NW, Ste. 400
Washington, DC 20036

Also present: Stephen Cottrell - Authenticom president
Steve Robb - IT technician

Lynette Swenson RMR, CRR, CRC
U.S. District Court Federal Reporter
120 North Henry Street, Rm. 520
Madison, Wisconsin 53703

1 A That's correct.

2 Q So let me just find it. It's paragraph -- if we
3 look at page nine, paragraphs 48 through 51.

4 MR. RYAN: If we can put plaintiff's Exhibit 55
5 up on the screen. I don't see it there.

6 Q So if you look at paragraph 48, on page nine of your
7 declaration, it says from the second sentence or third
8 sentence "Mr. McCray then told me that CDK and Reynolds
9 had agreed to 'lock you and the other third parties
10 out'." Do you see that?

11 A Yes, I do.

12 Q And there's in the notes -- in the notes there's a
13 reference to that; right? It says "Most of the major DMS
14 companies have agreed to only source data from each other
15 and effectively lock you and the other third parties
16 out"; correct?

17 A That is correct.

18 Q These were notes you took the next morning.

19 A That's correct.

20 Q And as best you can, you took -- you reported
21 exactly what Mr. McCray had said; correct?

22 A Mr. McCray said other things besides this.

23 Q Right. But I'm just on this particular one.

24 A Yes. In the context of what you're talking about,
25 that's exactly what he said.

1 Q All right. And -- but in your declaration, it says
2 "Mr. McCray then told me that CDK and Reynolds had agreed
3 to lock you and the other third parties out." That's not
4 what it says in your notes, is it, sir?

5 A He referred to major DMS providers. I inferred that
6 to be Reynolds and Reynolds because there are only two.

7 Q Right. So what's in your declaration doesn't quite
8 match up with what's in your notes. It's based on your
9 inference subsequently of what he said; right?

10 A His intention was clear. His statement was clear,
11 yes.

12 Q Okay. Thank you. Can you turn to tab 181, please,
13 in the white binder. This is defendants' Exhibit 181.

14 THE COURT: Any objection to defendants' Exhibit
15 181?

16 MR. NEMELKA: No.

17 THE COURT: It's admitted.

18 BY MR. RYAN:

19 Q You've seen this earlier. Can we put 181 up on the
20 screen, please. You've seen this earlier today; correct?

21 A Yes.

22 Q And it was characterized in court as an automatic
23 Authenticom response of yes when queried about whether an
24 authorized user was attempting to sign on to the CDK
25 system; right?

1 A Acting with explicit permission and as the agent of
2 the dealer, yes, we type in yes.

3 Q So you had an automated yes, but certainly you knew
4 that this was in violation of CDK's policies; correct?

5 A I wouldn't characterize it that way, no.

6 Q Just a couple questions on the loan. Your two
7 partners pulled out because they disagreed with the
8 DealerVault strategy; right?

9 A That is correct.

10 Q And they were concerned that might not -- that might
11 cause some consternation in the industry; right?

12 A No. They didn't want to invest the money in the
13 development. We estimated that we were going to spend
14 about \$2 million, and they were both CPAs and very
15 conservative, and to make that kind of investment in the
16 company at that point in time they didn't agree with.

17 Q Thank you.

18 MR. RYAN: Can I have one second, Your Honor?

19 THE COURT: Yes. (pause at 2:39 p.m.)

20 MR. RYAN: Thank you, Mr. Cottrell.

21 THE WITNESS: Thank you.

22 THE COURT: Any cross-examination on behalf of
23 Reynolds?

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